

WHAT IS CLAIMED IS:

[0116] 1. A method of dynamically determining an optimal advertisement to be used by an Internet merchant, comprising:

- (a) receiving configuration data from the Internet merchant;
- (b) randomly sampling visitors to the Internet website according to the configuration data;
- (c) determining an optimal advertisement using the data acquired in step (b); and
- (d) thereafter using the optimal advertisement determined in step (c).

[0117] 2. The method of claim 1, wherein step (c) comprises determining an advertisement that optimizes highest click-through rate.

[0118] 3. The method of claim 1, wherein step (c) comprises determining an advertisement that optimizes highest click-rate

[0119] 4. The method of claim 1, wherein step (c) comprises determining an advertisement that optimizes a combination of click-through rates and buy-rates.

[0120] 5. The method of claim 4, wherein the combination is determined through a weighted formula.

[0121] 6. The method of claim 1, wherein said configuration data includes sampling parameters.

[0122] 7. The method of claim 1, where said configuration data includes potential advertisements that are offered to the sampled population in step (b).

[0123] 8. The method of claim 1, wherein said configuration data includes whether the sampling is to be performed continuously or at discrete intervals.

[0124] 9. The method of claim 1, wherein said configuration data includes data for segmenting the population into clusters.

[0125] 10. The method of claim 1, wherein said configuration data includes a minimum threshold for automatically propagating an optimal advertisement.

[0126] 11. The method of claim 1, wherein said random sampling is performed on the entire population of visitors to the website.

[0127] 12. The method of claim 1, wherein visitors to the website are grouped, and each group is sampled separately.

[0128] 13. The method of claim 12, wherein an optimal price is determined for each group.

[0129] 14. The method of claim 13, additionally comprising updating the website such that a visitor is presented with the optimal advertisement determined in step (c) according to the visitor's group.

[0130] 15. The method of claim 12, wherein groups are determined based upon prior purchasing behavior.

[0131] 16. The method of claim 12, wherein groups are determined based upon demographic characteristics.

[0132] 17. The method of claim 1, additionally comprising:

(d) automatically updating the website to use the optimal advertisement determined in step (c).

[0133] 18. The method of claim 1, additionally comprising:

(d) automatically updating the website to use the optimal advertisement determined in step (c) if the determination for the optimal advertisement meets a minimum threshold.

[0134] 19. The method of claim 18, wherein the minimum threshold is that the optimal determined in step (c) is a predetermined percentage better than a currently offered advertisement.

[0135] 20. A method of dynamically determining an optimal advertisement to be used by an Internet merchant, comprising:

(a) receiving configuration data from the Internet merchant;

(b) randomly sampling visitors to the Internet website according to the configuration data;

(c) determining a measurement for each advertisement using the data acquired in step (b);

(d) thereafter using the optimal advertisement determined in step (c); and

(e) repeating steps (a) – (d) using the determinations made in step (b) as configuration data in step (a).